

PACKAGING

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Cosmetic Packages 'Sizzle'

IBM Saves \$1 Million
With Just-In-Time

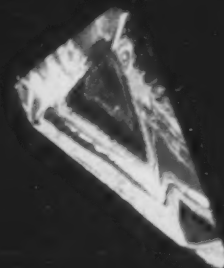
Interpack '87
Bigger Than Ever

New Ideas For
Coding And Marking

Mary Kay Installs
New Packaging Line

'Zipper' Reseals
Cheese Packages

Bell & Howell Solves
Labeling Problem



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PACKAGING NEWS

- IBM saves \$1 million with just-in-time** 8
Supplying packaging materials "as-needed" reduces inventory space 38,000 sq. ft.
- Kimberly-Clark switches Kotex** to plastic drawstring bags 12
- Applesauce in a pouch** offers weight and space savings 13
- Statistics: Food container forecast** for 1996 35

PACKAGING FEATURES

SPECIAL REPORT

- Cosmetic packages sizzle** 38
Despite predictions of flat sales, cosmetics packagers continue innovating
- Interpack '87: Bigger than ever** 78
Unmatched in size and scope, the Dusseldorf show provides a unique setting for solving problems

PACKAGING OPERATIONS

- Plant of the Month; Mary Kay installs new packaging line** 44
New approach allows harmonizing of a new multi-component package with new machinery
- Bell & Howell solves labeling problem** 69
Labelers handle variations in shell and label sizes as videocassette operation automates
- Controls increase tea processor's line efficiencies** 73
Lyons Tetley reduces downtime caused by failure of mechanical and electrical components

MARKETING

- 'Zipper' reseals cheese packages** 51
Roll-fed pouches and a reclosability feature enable Sargento to keep high-speed filling
- Innovative clamshell propels gloves to the top** 55
Clamshell helps AXO motorcycle gloves jump from fourth place to first

STATE OF THE ART

- New ideas for coding and marking** 58
Consumers want more information on their packages; coding advances make it happen

PACKAGING TECHNOLOGY

- First Brands reduces case damage through in-house testing** 82
In-house compression testing assures packages reach customers in optimum condition
- Electronic label printer** pays for itself in eight months 95
- Skin packaging** helps solve shipping and handling problems 96
- Competitiveness regained** with rotary heat-sealer 97

EDITORIAL	3	STATISTICS	35	CLASSIFIED ADS	104
CALENDAR	27	NEW EQUIPMENT	85	ADVERTISING INDEX	109
ASSOCIATION NEWS	29	NEW MATERIALS	99	WRAP UP	110
PEOPLE	32	SAMPLES	102	READER SERVICE CARD	111

PACKAGERS IN THIS ISSUE

ARC Industries	96	Cosmar Inc.	38	Kimberly-Clark Corp.	12
AXO Sports Motocross	55	Fantasy Flavors	95	Liz Claiborne Cosmetics	38
American Edwards	16	First Brands	82	Lyons-Tetley Ltd.	73
Amway Inc.	38	General Foods	15	Mary Kay Cosmetics	44
Avon Corp.	38	George A. Hormel & Co.	13	National Fruit Products	13
Beecham Cosmetics	12, 38	IBM	8	Sargento Cheese Co.	51
Bell & Howell	69	Jacqueline Cochran Inc.	15	Stokely USA	22

PACKAGING NEWS

STATISTICS

FORECAST MIXED FOR FOOD CONTAINERS

Outlook shows growth in plastics

The overall food packaging market will grow from 172 billion units in 1986 to approximately 191 billion units in 1996, according to a recently published study by Business Communications Co. Inc., Norwalk, Conn.

Not all containers will grow equally, though. "Plastic containers will grow by 11 per cent as metal and glass decline," said senior analyst Larry Wang. Not even all plastic containers will grow equally either, he continued. "The fastest-growing segments of plastics food packaging will be co-extruded, high-barrier multilayer bottles, jars and cans, and thermoplastic, dual-ovenable entree trays, mostly manufactured from crystallized PET. Retort trays are expected to grow by about 12 per cent per year."

The study estimates that metal cans for foods and beverages will decline slightly over the next 10 years from roughly 95 billion units to 93 billion. The fastest growth rate is forecast for aseptic packages, slated to grow nearly 16 per cent, though the volume is much smaller, from 4.9 billion units in 1986 to 12.6 billion in 1996.

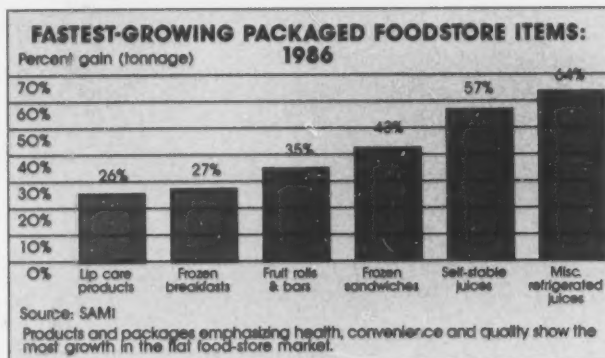
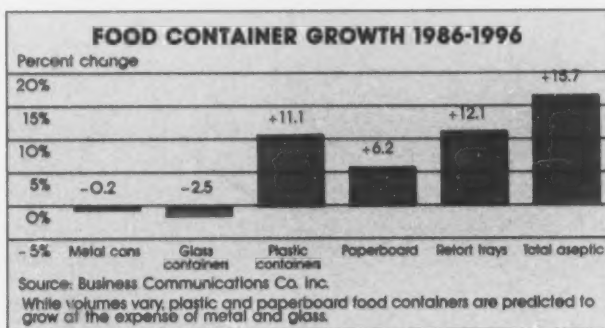
PACKAGING KEY TO HIGH-GROWTH PRODUCTS

Convenience, health and quality are the new buzzwords

Although the prediction for food sales remains slow to flat, those packaged-food categories that showed a tonnage gain of 25 per cent or more last year emphasized what one analyst calls the new marketing buzzwords for the mid-1980s: convenience, health and quality.

According to Alan Miller, vice president of Sales Areas-Marketing Inc. (SAMI), New York, convenience translates into such package-related concepts as microwavable, disposable, squeezable, portion-pack and time-saving. Health is connected to reduced sugar or sodium, low calories, cholesterol or fat and high fiber. Quality means premium pricing with gourmet attributes.

Correspondingly, those packaged food store categories that showed the biggest tonnage gains in 1986 include refrigerated juices at 64 per cent, shelf-stable juices and juice concen-



PACKAGING LEADTIMES (in weeks)

	Jan. '87	Dec. '86	Jan. '86
Metal cans	3.7	3.4	3.7
Composite cans	3.3	3.2	4.2
Glass containers	4.7	4.3	5.7
Plastic bottles	3.2	3.9	4.1
Plastic film	3.5	3.5	3.9
Laminates	5.3	5.4	4.9
Corrugated containers	2.9	2.9	3.1
Multilayer bags	4.3	3.7	3.8
Kraft paper	3.2	3.0	2.8
Folding cartons	3.9	4.0	3.6
Fiber drums	2.9	3.5	3.5
Industrial crates	2.8	3.3	3.2
Strapping	2.7	2.7	2.8
Steel drums (shipping)	3.5	2.8	3.2
Pallets	2.5	2.7	2.7

Source: Purchasing, a Cahners Publication

TRANSACTION PRICES

	Jan. '87	Dec. '86	Jan. '86
Aluminum can stock (\$/lb.)	1.07	1.07	.96
LDPE/liner (\$/lb.)	.28	.29	.33
LDPE/clarity (\$/lb.)	.32	.33	.38
LDPE/butene (\$/lb.)	.28	.27	.32
LDPE/octene (\$/lb.)	.32	.35	.37
HDPE/blow molding (\$/lb.)	.34	.33	.35
HDPE/film grade (\$/lb.)	.35	.35	.38
Polystyrene/general purpose (\$/lb.)	.36	.34	.34
Polystyrene/impact (\$/lb.)	.37	.36	.38
PVC/general purpose (\$/lb.)	.31	.30	.29
PP/homopolymer (\$/lb.)	.36	.35	.37
PP/copolymer (\$/lb.)	.45	.45	.47
ABS (\$/lb.)	.98	.98	1.01
Unbleached kraft/shipping sack (\$/ton)	430	430	375
Unbleached kraft/grocery sack (\$/ton)	375	375	275
Linerboard, 42 lb. east (\$/ton)	360	320	250
Linerboard, 42 lb. west (\$/ton)	360	320	260
Corrugated med. semichemical (\$/ton)	320	290	235
Recycled folding boxboard, clay coated (\$/ton)	400	390	375
Recycled folding boxbd., chipbd. (\$/ton)	320	300	290
Bleached kraft, folding carton (\$/ton)	610	610	545

Source: Purchasing, a Cahners publication

trates at 57 per cent and frozen sandwich items at 43 per cent.

According to Miller, convenient portion-pack aseptic products helped drive the growth in juices in addition to the sales vitality of the Gatorade brand, which falls under the health banner. Frozen foods are under the convenience banner to start out with, he added.

HIGH-TECH PRODUCTS TO LEAD 1987 ECONOMY

Synthetics, will grow fastest

Companies that produce high-tech products will continue to lead the economy in 1987, according to Cahners Publishing Co., publishers of PACKAGING.

"The best-performing high-tech industries in 1987 will be synthetic materials, such as plastic resins, synthetic rubber and textile fibers, and pharmaceuticals, which are reaping the benefit of large outlays for research and development that have been made in the past several years," said James W. Haughey, director of Cahners Economics. "Other high-tech products, such as electronics components and computers also will do better in 1987."

The company estimates that production of high-tech products will grow 7.7 per cent in 1987, compared to 1986's growth rate of 8.7 per cent. Traditional or basic industries such as metals, coal mining, petrochemicals and manufacturing, will grow only about 1 per cent in 1987 after a decline of 3.1 per cent in 1986.

MORE STATS . . .

The monthly trend report for the **Package Machinery Manufacturers Institute** shows that new orders for packaging and packaging-related converting machinery for November were down 12.8 per cent from October but up 6.2 per cent from November of 1985. The increase in total orders from 1985's level was due entirely to an increase in foreign orders. Total orders for 1986 to date are running 2.3 per cent ahead of 1985 . . . Despite a market presence of more than 20 years, the **Dow Chemical Co.** is predicting that the plastic loose-fill packaging material business will continue to grow between 10 and 15 per cent annually. The company cites the growing mail-order industry as largely responsible.